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GARY WALSH
Regulatory Consulting & Governmental Affairs

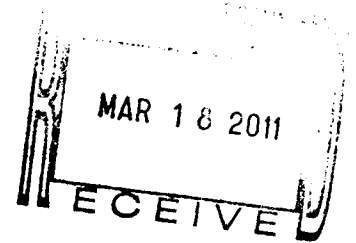
Post Office Box 23158
Columbia, SC 29224-3158

Office 803-254-5505
Cell 803-767-8393

Fax 803-254-5545
walshconsultingllc@sc.rr.com

2011-1-E
228674

March 16, 2011



Garrett A. Stone, Esquire
Brickfield, Burchette and Ritts, P.C.
1025 Thomas Jefferson Street, NW
8th Floor, West Tower
Washington, D.C. 20007

Re: SCPSC Docket No. 2011-1-E

Dear Garrett:

Pursuant to the December 21, 1998 agreement entered into by and between Progress Energy Carolina, Inc. and Nucor in Docket 1999-029-E, enclosed is documentation required by paragraph 1 of that agreement regarding PEC's nuclear capacity factor calculation. As you can see, PEC met the 92.5% goal.

Sincerely,

Gary E. Walsh
President

Enclosure

Cc: Len Anthony
Jocelyn Boyd (w/enc.)
John Flitter (w/enc.)

Report to
NUCOR STEEL CORPORATION

Of

Progress Energy Carolinas
Nuclear System Capacity Factor

Pursuant to
SCPSC Docket 1999-029-E

Test Period
March 1, 2010
Through
February 28, 2011

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Progress Energy Carolinas Nuclear Capacity Factor Calculation (Unadjusted) March 1, 2010 – February 28, 2011

**Net Electrical Generation during the Test Period March 1, 2010 to February 28, 2011
Reported to the NRC and available in the NRC's Public Documents Collection**

	MWhs
Brunswick Unit 1	6,910,463
Brunswick Unit 2	8,136,714
Harris Unit 1	7,076,910
Robinson Unit 2	3,590,287
A – Total Net Generation	25,714,374

**Unit Maximum Dependable Capacity (MW)
Reported to the NRC and available in the NRC's Public Documents Collection**

	MDC (MW)
Brunswick Unit 1	938
Brunswick Unit 2	920
Harris Unit 1	900
Robinson Unit 2	724
B – Max Dependable Capacity	3,482

Period Hours in the Test Period March 1, 2010 to February 28, 2011

C – Period Hours from 3/1/10 to 2/28/11	8,760
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Capacity Factor Formula

$$[(A) / (B \times C)] = 84.3\%$$

Progress Energy Carolinas Nuclear Capacity Factor Calculation Adjusted for Refueling Outages Only and Steam Generator Replacement Outages of 100 Days or Less March 1, 2010 – February 28, 2011

**Net Electrical Generation during the Test Period March 1, 2010 to February 28, 2011
Reported to the NRC and available in the NRC's Public Documents Collection**

	MWhs
Brunswick Unit 1	6,910,463
Brunswick Unit 2	8,136,714
Harris Unit 1	7,076,910
Robinson Unit 2	3,590,287
Total Net Generation	25,714,374

Reasonable refueling outages and steam generator replacement outages of 100 days or less

	MWh Losses
Brunswick Unit 1	1,335,783
Brunswick Unit 2	0
Harris Unit 1	948,277
Robinson Unit 2	1,644,116
Total	3,928,176

A – Total Test Period Net Generation + Adjustment for refueling outages & steam generator replacement outages	29,642,550
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**Unit Maximum Dependable Capacity (MW)
Reported to the NRC and available in the NRC's Public Documents Collection**

	MDC (MW)
Brunswick Unit 1	938
Brunswick Unit 2	920
Harris Unit 1	900
Robinson Unit 2	724
B – Max Dependable Capacity	3,482

Period Hours in the Test Period March 1, 2010 to February 28, 2011

C – Period Hours from 3/1/10 to 2/28/11	8,760
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**Capacity Factor Formula
[(A) / (B x C)] = 97.2%**

Amended SC Fuel Rule
Related to Nuclear Operations

There shall be a rebuttable presumption that an electrical utility made every reasonable effort to minimize cost associated with the operation of its nuclear generation system if the utility achieved a net capacity factor $\geq 92.5\%$ during the 12 month period under review. For the test period March 1, 2010 through February 28, 2011, actual period to date performance is summarized below.

Period to Date: March 1, 2010 through February 28, 2011

Nuclear System Capacity Factor Calculation (Based on net generation)

A.	Nuclear system actual generation for SCPSC test period	A = 25,714,374MWH
B.	Total number of hours during SCPSC test period	B = 8,760 hours
C.	Nuclear system MDC during SCPSC test period (see page 2)	C = 3,482 MW
D.	Reasonable nuclear system reductions (see page 2)	D = 5,547,585 MWH
E.	SC Fuel Case nuclear system capacity factor: $[(A+D) / (B*C)]*100 = 102.5\%$	

NOTE:

If Line Item E $\geq 92.5\%$, presumption of utility's minimum cost operation

If Line Item E $< 92.5\%$, utility has burden of proof of reasonable operations

Amended SC Fuel Rule
Nuclear System Capacity Factor Calculation
Reasonable Nuclear System Reductions
Period to Date: March 1, 2010 to February 28, 2011

Nuclear Unit Name and Designation	BNP Unit # 1 938 MW	BNP Unit # 2 920 MW	HNP Unit # 1 900 MW	RNP Unit # 2 724 MW	Nuclear System 3,482 MW
Unit MDC	1,335,783	0	948,277	1,644,116	
Reasonable refueling outage time (MWH)	102,254	35,131	14,690	1,229,752	
Reasonable maintenance, repair, and equipment replacement outage time (MWH)	0	0	7,476	0	
Reasonable coast down power reductions (MWH)	55,192	464	68,117	33,132	
Reasonable power ascension power reductions (MWH)	42,096	30,506	599	0	
Prudent NRC required testing outages (MWH)	0	0	0	0	
SCPSC identified outages not directly under utility control (MWH)	0	0	0	0	
Acts of Nature reductions (MWH)	0	0	0	0	
Reasonable nuclear reduction due to low system load (MWH)	0	0	0	0	
Unit total excluded MWH	1,535,325	66,101	1,039,159	2,907,000	
Total reasonable outage time exclusions [carry to Page 1, Line D]					5,547,585

ATTACHMENT A

Recorded Generation and Capacity Factors (Test Period March 1, 2010 - February 28, 2011)

Monthly Generation						
Month	BNP 1	BNP 2	BNP	HNP	RNP	Carolina Fleet
March 2010	-2.429	698.355	695.926	695.980	507.069	1,898.975
April 2010	43.331	678.802	722.133	666.054	-2.232	1,385.955
May 2010	616.858	668.093	1,284.951	685.081	-868	1,969.164
June 2010	677.000	666.826	1,343.826	654.660	-1.364	1,997.122
July 2010	700.560	688.328	1,388.888	677.181	166.828	2,232.897
August 2010	703.754	686.857	1,390.611	677.639	537.121	2,605.371
September 2010	689.081	652.896	1,341.977	653.802	429.803	2,425.582
October 2010	706.067	698.169	1,404.236	11.904	102.256	1,518.396
November 2010	700.692	675.104	1,375.796	336.596	207.498	1,919.890
December 2010	705.336	694.633	1,399.969	699.324	566.507	2,665.800
January 2011	725.173	701.891	1,427.064	695.889	566.951	2,689.904
February 2011	645.040	626.760	1,271.800	622.800	510.718	2,405.318
TOTAL	6,910,463	8,136,714	15,047,177	7,076,910	3,590,287	25,714,374

Monthly Capacity Factor (Unadjusted)						
Month	BNP 1	BNP 2	BNP	HNP	RNP	Carolina Fleet
MDC	938	920	1,858	900	724	3,482
March 2010	-0.3%	102.2%	50.4%	104.1%	94.3%	73.4%
April 2010	6.4%	102.5%	54.0%	102.8%	-0.4%	55.3%
May 2010	88.4%	97.6%	93.0%	102.3%	-0.2%	76.0%
June 2010	100.2%	100.7%	100.5%	101.0%	-0.3%	79.7%
July 2010	100.4%	100.6%	100.5%	101.1%	31.0%	86.2%
August 2010	100.8%	100.3%	100.6%	101.2%	99.7%	100.6%
September 2010	102.0%	98.6%	100.3%	100.9%	82.5%	96.8%
October 2010	101.2%	102.0%	101.6%	1.8%	19.0%	58.6%
November 2010	103.6%	101.8%	102.7%	51.9%	39.8%	76.5%
December 2010	101.1%	101.5%	101.3%	104.4%	105.2%	102.9%
January 2011	103.9%	102.5%	103.2%	103.9%	105.3%	103.8%
February 2011	102.3%	101.4%	101.9%	103.0%	105.0%	102.8%
TOTAL	84.1%	101.0%	92.4%	89.8%	56.6%	84.3%

Year to Date Generation (Unadjusted)						
Month	BNP 1	BNP 2	BNP	HNP	RNP	Carolina Fleet
March 2010	-2.429	698.355	695.926	695.980	507.069	1,898.975
April 2010	40.902	1,377.157	1,418.059	1,362.034	504.837	3,284.930
May 2010	657.760	2,045.250	2,703.010	2,047.115	503.969	5,254.094
June 2010	1,334.760	2,712.076	4,046.836	2,701.775	502.605	7,251.216
July 2010	2,035.320	3,400.404	5,435.724	3,378.956	669.433	9,484.113
August 2010	2,739.074	4,087.261	6,826.335	4,056.595	1,206.554	12,089.484
September 2010	3,428.155	4,740.157	8,168.312	4,710.397	1,636.357	14,515.066
October 2010	4,134.222	5,438.326	8,876.622	4,722.301	1,738.613	16,033.462
November 2010	4,834.914	6,113.430	10,948.344	5,058.897	1,946.111	17,953.352
December 2010	5,540.250	6,808.063	12,348.313	5,758.221	2,512.618	20,619.152
January 2011	6,265.423	7,509.954	13,775.377	6,454.110	3,079.569	23,309.056
February 2011	6,910.463	8,136.714	15,047.177	7,076.910	3,590.287	25,714.374

Year to Date Capacity Factor (Unadjusted)						
Month	BNP 1	BNP 2	BNP	HNP	RNP	Carolina Fleet
March 2010	-0.3%	102.2%	50.4%	104.1%	94.3%	73.4%
April 2010	3.0%	102.3%	52.2%	103.4%	47.7%	64.5%
May 2010	31.8%	100.7%	65.9%	103.1%	31.5%	68.4%
June 2010	48.6%	100.7%	74.4%	102.6%	23.7%	71.1%
July 2010	59.1%	100.7%	79.7%	102.3%	25.2%	74.2%
August 2010	66.1%	100.6%	83.2%	102.1%	37.7%	78.6%
September 2010	71.2%	100.3%	85.6%	101.9%	44.0%	81.2%
October 2010	75.0%	100.5%	81.3%	89.2%	40.8%	78.3%
November 2010	78.1%	100.7%	89.3%	85.2%	40.7%	78.1%
December 2010	80.4%	100.8%	90.5%	87.1%	47.3%	80.6%
January 2011	82.6%	100.9%	91.7%	88.7%	52.6%	82.8%
February 2011	84.1%	101.0%	92.4%	89.8%	56.6%	84.3%

ATTACHMENT B

Brunswick Unit 1 March 1, 2010 – February 28, 2011 Test Period MWh Losses by Cause

	Refuel	Repairs	Coastdowns	Power Ascension	Testing	SCP SC	Acts of Nature	Low Load	Total
Mar-10	724.425	0	0	0	0	0	0	0	724.425
Apr-10	611.358	0	0	42.765	0	0	0	0	654.123
May-10	0	82.550	0	12.427	0	0	0	0	94.977
Jun-10	0	9.609	0	0	0	0	0	0	9.609
Jul-10	0	0	0	0	8.172	0	0	0	8.172
Aug-10	0	502	0	0	2.065	0	0	0	2.567
Sep-10	0	0	0	0	0	0	0	0	0
Oct-10	0	153	0	0	13.835	0	0	0	13.988
Nov-10	0	104	0	0	0	0	0	0	104
Dec-10	0	1.192	0	0	18.024	0	0	0	19.216
Jan-11	0	0	0	0	0	0	0	0	0
Feb-11	0	8.144	0	0	0	0	0	0	8.144
Total	1,335.783	102.254	0	55.192	42.096	0	0	0	1,535.325

Brunswick Unit 2 March 1, 2010 – February 28, 2011 Test Period MWh Losses by Cause

	Refuel	Repairs	Coastdowns	Power Ascension	Testing	SCPSC	Acts of Nature	Low Load	Total
Mar-10	0	288	0	0	5.650	0	0	0	5.938
Apr-10	0	315	0	0	0	0	0	0	315
May-10	0	25.507	0	464	0	0	0	0	25.971
Jun-10	0	0	0	0	0	0	0	0	0
Jul-10	0	0	0	0	0	0	0	0	0
Aug-10	0	0	0	0	0	0	0	0	0
Sep-10	0	541	0	0	15.682	0	0	0	16.223
Oct-10	0	738	0	0	0	0	0	0	738
Nov-10	0	5.644	0	0	0	0	0	0	5.644
Dec-10	0	51	0	0	9.174	0	0	0	9.225
Jan-11	0	1.319	0	0	0	0	0	0	1.319
Feb-11	0	728	0	0	0	0	0	0	728
Total	0	35.131	0	464	30.506	0	0	0	66.101

Harris Unit 1 March 1, 2010 – February 28, 2011 Test Period MWh Losses by Cause

	Refuel	Repairs	Coastdowns	Power Ascension	Testing	SCPSC	Acts of Nature	Low Load	Total
Mar-10	0	0	0	0	0	0	0	0	0
Apr-10	0	2.368	0	0	599	0	0	0	2.967
May-10	0	0	0	0	0	0	0	0	0
Jun-10	0	0	0	0	0	0	0	0	0
Jul-10	0	0	0	0	0	0	0	0	0
Aug-10	0	0	0	0	0	0	0	0	0
Sep-10	0	0	4.128	0	0	0	0	0	4.128
Oct-10	673.561	0	3.348	0	0	0	0	0	676.909
Nov-10	274.716	0	0	68.117	0	0	0	0	342.833
Dec-10	0	1.059	0	0	0	0	0	0	1.059
Jan-11	0	3.182	0	0	0	0	0	0	3.182
Feb-11	0	8.081	0	0	0	0	0	0	8.081
Total	948.277	14.690	7.476	68.117	599	0	0	0	1.039.159

Robinson Unit 2 March 1, 2010 – February 28, 2011 Test Period MWh Losses by Cause

	Refuel	Repairs	Coastdowns	Power Ascension	Testing	SCPSC	Acts of Nature	Low Load	Total
Mar-10	0	58,480	0	0	0	0	0	0	58,480
Apr-10	254,688	291,072	0	0	0	0	0	0	545,760
May-10	538,656	0	0	0	0	0	0	0	538,656
Jun-10	521,280	0	0	0	0	0	0	0	521,280
Jul-10	329,492	14,480	0	21,363	0	0	0	0	365,335
Aug-10	0	0	0	0	0	0	0	0	0
Sep-10	0	91,511	0	0	0	0	0	0	91,511
Oct-10	0	454,636	0	0	0	0	0	0	454,636
Nov-10	0	319,573	0	11,769	0	0	0	0	331,342
Dec-10	0	0	0	0	0	0	0	0	0
Jan-11	0	0	0	0	0	0	0	0	0
Feb-11	0	0	0	0	0	0	0	0	0
Total	1,644,116	1,229,752	0	33,132	0	0	0	0	2,907,000

PEC Nuclear System Total March 1, 2010 – February 28, 2011 Test Period MWh Losses by Cause

	Refuel	Repairs	Coastdowns	Power Ascension	Testing	SCPSC	Acts of Nature	Low Load	Total
Mar-10	724.425	58.768	0	0	5.650	0	0	0	788.843
Apr-10	866.046	293.755	0	42.765	599	0	0	0	1,203.165
May-10	538.656	108.057	0	12.891	0	0	0	0	659.604
Jun-10	521.280	9.609	0	0	0	0	0	0	530.889
Jul-10	329.492	14.480	0	21.363	8.172	0	0	0	373.507
Aug-10	0	502	0	0	2.065	0	0	0	2.567
Sep-10	0	92.052	4.128	0	15.682	0	0	0	111.862
Oct-10	673.561	455.527	3.348	0	13.835	0	0	0	1,146.271
Nov-10	274.716	325.321	0	79.886	0	0	0	0	679.923
Dec-10	0	2.302	0	0	27.198	0	0	0	29.500
Jan-11	0	4.501	0	0	0	0	0	0	4.501
Feb-11	0	16.953	0	0	0	0	0	0	16.953
Total	3,928.176	1,381.827	7.476	156.905	73.201	0	0	0	5,547.585